

**Amendment No. 1 to HB0128**

**West  
Signature of Sponsor**

**AMEND Senate Bill No. 2373\***

**House Bill No. 128**

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

by deleting all language following the enacting clause and by substituting instead the following language:

SECTION 1. Tennessee Code Annotated, Title 7, Chapter 51, is amended by adding Sections 2 through 14 as a new part thereto.

**SECTION 2.**

This part may be cited as the "Local Government Employees Negotiations Act".

SECTION 3. As used under this part, unless the context otherwise requires:

(1) "Arbitration" means the process of determination of disputed matters by submission to private unofficial persons selected for a purpose, and in a manner consistent with this part;

(2) "Fact-finding" means investigation of an existing dispute by an individual panel, or board with the fact-finder submitting a report to the parties describing the issues involved. The report may contain recommendations for settlement and may be made public after the parties to the dispute have had an opportunity to study it;

(3) "Management personnel" means the chief executive officer of the municipality or director of a department;

(4) "Mediation" means that process by which an impartial third party assists in reconciling a dispute regarding compensation, benefits, duties and other terms and conditions of employment and service between representatives of the municipality and the recognized employees' organization through interpretation, suggestion and advice;

(5) "Memorandum of agreement" means a written memorandum of understanding arrived at by the representatives of the municipality and a recognized

employees' organization, which shall be presented to the municipality and to the membership of such organization for ratification or rejection;

(6) "Municipality" means any city or county;

(7) "Negotiation unit" means employees of a municipality as defined in this part;

(8) "Negotiations" means that process whereby the chief executive of a municipality or such representatives as it may designate, and representatives of a recognized employees' organization meet at reasonable times and confer, consult, discuss, exchange information, opinions and proposals, in a good faith endeavor to reach agreement on matters within the scope of discussions, and incorporate such agreements into a written agreement;

(9) "Negotiator" means the person or persons selected by the municipality and the employees' organization to do the negotiating;

(10) "Person" includes one (1) or more individuals, organizations, associations or their representatives;

(11) "Employee" includes any person employed by a municipality;

(12) "Employees' organization" means any organization with membership open to employees, as defined in subsection (11), in which such employees participate and which exists for the purpose, in whole or in part, of dealing with municipalities concerning, but not limited to, grievances, wages, hours of employment, or other conditions of employment. Such organizations may establish reasonable rules and regulations for conducting business, including provisions for the dismissal of individuals from membership;

(13) "Representative" includes any person, or group of persons, organization or association who is designated and authorized by the respective negotiating unit or local municipality to negotiate and act for it under the provisions of this part; and

(14) "Strike" means the failure with others to report for duty, the willful absence from one's position, the stoppage of work or the abstinence in whole or part from the full, faithful and proper performance of the duties of employment, and without the lawful approval of one's superior, or in any manner interfering with the operation of a municipality or a department of a municipality, for the purpose of inducing or coercing the recognition of any employee organization or change in the conditions or compensation or the rights, privileges or obligations of employment.

SECTION 4. Employees of a municipality have the right to self-organization, to form or be assisted by organizations, to negotiate through representatives of their own choosing, and to engage in other concerted activities for the purpose of negotiations or other mutual aid or protection; provided, that employees also have the right to refrain from any or all such activities.

#### SECTION 5.

(a) Those rights and responsibilities of municipalities and employees as contained in this title are not statutorily modified or repealed by this part.

(b) This part shall not operate so as to annul, modify or preclude the renewal or continuation of any recognition heretofore entered into between a municipality and an employees' organization. Upon the termination of an existing agreement, subsequent employees' organization recognition shall be governed under the provisions of this part, provided, that the time schedule established in Section 6 shall not be applicable and recognition with all accompanying rights shall become available immediately upon the completion of the other required recognition procedures.

#### SECTION 6.

(a) Upon the submission by one (1) or more employees' organizations to the appropriate municipality, of a request for recognition together with signed petition cards which constitute thirty percent (30%) plus one (1) of the employees of a municipality, the municipality and the requesting employees' organization shall appoint persons to serve

on a special election committee for the purpose of conducting an election as provided in subsection (b).

(b)

(1) In the event one (1) or more employees' organizations submit a request for recognition as provided in subsection (a), a special secret ballot election shall be conducted among the eligible employees to determine which requesting organization, if any, shall represent such employees.

(2) A special election committee shall be formulated to set the date, establish the times and places, establish the procedure and supervise the election process, supervise the counting of ballots and file the results with the municipality and the requesting employees' organizations.

(A) The election committee shall be composed of one (1) person selected by each employees' organization which has filed with the municipality a request for recognition as provided in subsection (a), plus an equal number of persons selected by the municipality.

(B) The requesting employees' organizations and the municipality shall select the persons to serve on this election committee and shall notify the other parties of such selection within fifteen (15) days of being notified by the employees' organization.

(C) These persons so selected shall select an additional person to serve as chair.

(D) The election committee may, upon majority approval, appoint other persons to assist in conducting the election. Motions before the election committee shall require a majority vote of the membership of the full committee.

(E) The election committee person or persons appointed to assist in conducting elections pursuant to this section shall not be compensated for this service.

(3) Voting places and times selected by the election committee shall be convenient and accessible for all eligible employees.

(4) A majority vote of those voting shall be required to secure representation by an employees' organization. Such secret ballot shall provide for a person to vote for no representation by any employee organization.

(5) If a majority vote is not secured, a second election shall be held between those organizations or nonorganizations receiving the first and second largest number of votes.

(6) The secret ballot election shall be held and the results transmitted to the municipality and the respective employees' organizations.

(7) The employees' organization receiving a majority vote shall be designated as exclusive representative.

(c) The initial recognition shall be for twenty-four (24) months and shall be automatically extended for additional twenty-four (24) month periods, unless between October 1 and October 15 of the second twelve (12) months of any recognition period:

(1) The municipality challenges and substantiates that the recognized organization does not, in fact, possess a majority of the employees as paid members; or

(2) Another employees' organization files application for recognition with the municipality, together with signed petition cards which constitute a majority of the employees of the municipality. In such event, an election between the competing organizations shall be held according to the provisions of subsection (b).

(d) When an employees' organization has met the requirement of recognition in this section as the exclusively recognized organization, the municipality and such organization shall, in good faith, enter into negotiations, and if agreement is reached, enter into a memorandum of agreement based upon such negotiations and comply with such agreement according to the provisions of this part.

SECTION 7. An employees' organization recognized pursuant to this part shall be the exclusive representative of all the employees employed by that municipality for the purpose of negotiating. A challenge to recognition may be made only by the municipality or another employees' organization as provided in Section 6.

#### SECTION 8.

(a) When the municipality and the recognized employees' organization are presented with petitions bearing the signatures of a majority of the employees of the municipality in the negotiating unit indicating they no longer desire to be represented by the recognized organization, an election committee shall be established according to the provisions of Section 6, and the election committee shall conduct a decertification election by secret ballot in which all employees in the negotiating unit will have the choice of voting either for the continuation of recognition or for decertification of the recognized employees' organization.

(b) If a majority in the negotiating unit votes for decertification, the committee shall thereupon notify the municipality and the recognized employees' organization that the organization is no longer the recognized representative.

(c) Those persons requesting a decertification election shall be assessed by the chair of the election committee an amount adequate to pay for conducting the election.

(d) The terms and conditions of any existing memorandum of agreement shall continue in existence for the terms of the memorandum, except that reference to the recognized employees' organization shall mean the individual employee.

(e) The municipality shall not be required to negotiate with any subsequently recognized employees' organization for the remaining period of the existing memorandum of agreement, but shall negotiate at the appropriate time as set forth herein with a subsequently recognized employees' organization for a future period.

#### SECTION 9.

(a) Upon request, the designated management personnel shall represent the municipality in all negotiation activities.

(b) Management personnel shall not be eligible to represent the recognized employees' organization, to vote on whether to accept or reject items to be negotiated, or items that have been negotiated, or to derive benefits from the negotiation efforts, except those benefits which go to all employees of the municipality.

#### SECTION 10.

(a) It is unlawful for a municipality or its designated representative to:

(1) Impose or threaten to impose reprisals on employees, or discriminate against employees by reason of their exercise of rights guaranteed by this part;

(2) Interfere with, restrain, or coerce employees in the exercise of the rights guaranteed in section 5;

(3) Refuse or fail to negotiate in good faith or execute a written memorandum incorporating any agreements reached with representatives of a recognized employees' organization as provided in this part;

(4) Refuse to permit an employees' organization to have access at reasonable times to areas in which employees work, use institutional bulletin boards, mailboxes, or other communication media, or use institutional facilities at reasonable times for the purpose of holding a meeting concerned with the exercise of the rights guaranteed by this part; provided, that a representative has been selected or designated pursuant to the provisions of this part;

(5) Encourage or discourage membership in any organization by discrimination in hiring, or other terms or conditions of employment; provided, that the municipality or its designated representative may express any views, arguments or opinions on the subject of employer-employee relations provided that such expression contains no threat of reprimand, discharge, or promise of benefits;

(6) Discharge or discriminate against an employee because the employee has filed an affidavit, petition or complaint, or given any information or testimony under this part;

(7) Dominate, interfere or assist in the administration of any employees' organization; or

(8) Refuse to in good faith mediate, arbitrate and/or participate in fact-finding efforts pursuant to this part.

(b) It is unlawful for a recognized employees' organization or its representatives to:

(1) Cause or attempt to cause a municipality to engage in conduct in violation of the provisions of this part; provided, that this subdivision shall not be construed to impair the right of an employees' organization to prescribe its own rules with respect to operation involving the acquisition or retention of membership;

(2) Refuse or fail to negotiate in good faith with municipalities, or execute a written contract incorporating any agreements reached;

(3) Interfere with, restrain or coerce employees of a municipality or a municipality in the exercise of rights granted in this part;

(4) Refuse to in good faith mediate, arbitrate or participate in fact-finding efforts pursuant to this part;



(5) Engage in a strike; or

(6) Urge, coerce or encourage others to engage in unlawful acts as defined in this part.

(c)

(1) A complaint of an unlawful act must be filed in the chancery court of the county where the employees' organization is seeking or has attained recognition.

(2) No complaint shall issue based upon any unlawful act occurring more than six (6) months prior to the filing of the complaint.

(3) The chancery court is empowered to prevent any municipality or its agents, or organizations, associations, or their agents, from engaging in any unlawful act.

(4) If, upon the preponderance of the evidence taken, the court is of the opinion that a party named in the complaint has engaged in or is engaging in any such unlawful act, then the court shall state its findings of fact, issue an order requiring such party to cease and desist from such unlawful act, and take such affirmative action, including resumption of negotiations, reinstatement of employees with or without back pay, or execution of a contract the terms of which have been agreed upon, as well as to effectuate the policies of this part. Such order may further require such party to make reports from time to time showing the extent to which it has complied with the order.

(5) If, upon the preponderance of the evidence taken, the chancery court is not of the opinion that a party named in the complaint has engaged in or is engaging in any such unlawful act, then the chancery court shall state its findings of fact and shall issue an order dismissing the complaint.

## SECTION 11.

(a)

(1) If a strike occurs, the municipality may apply to the chancery court in the county to enjoin such strike. The application shall set forth the facts constituting the strike.

(2) If the court finds, after a hearing, that a strike has occurred, the court may enjoin the employees from participating in such strike.

(b) When municipalities have determined which employees have engaged in or participated in a strike, such employees may be subject to dismissal or other forms of disciplinary action.

(c) No penalty, forfeiture of rights or privileges, or other sanction or fine imposed on an employees' organization, its officers or members, as the result of a strike, shall be negotiable by such organization and a municipality at any time.

SECTION 12. The municipality and the recognized employees' organization shall negotiate in good faith the following conditions of employment:

- (1) Salaries or wages;
- (2) Grievance procedures;
- (3) Insurance;
- (4) Pensions and fringe benefits;
- (5) Working conditions;
- (6) Leave; and
- (7) Other conditions of employment.

SECTION 13.

(a) The scope of a memorandum of agreement shall extend to all matters negotiated between the municipality and the employees' organization, provided, that the scope of such agreement shall not include proposals contrary to:

- (1) Federal or state law;

- (2) Employee rights defined in this part; and
- (3) Municipal rights contained in this title.

(b) When agreement is reached by the representative of the municipality and the recognized employees' organization, they shall jointly prepare a memorandum of understanding, and, within fourteen (14) calendar days, present it to their appropriate governing authorities for ratification or rejection. These governing authorities, as soon as practical, shall consider the memorandum and take appropriate action. If either governing authority rejects or modifies any part of a proposed memorandum, the matter shall be returned to the parties for further negotiation. The municipality may enter into such memorandum for a period not in excess of three (3) years.

(c) A municipality and a recognized employees' organization that enter into an agreement covering terms and conditions of service and/or other matters of mutual concern may include in such agreement procedures for final and binding arbitration of such disputes as may arise involving the interpretation, application or violation of such agreement.

#### SECTION 14.

(a) Following reasonable efforts to reach agreement, either the municipality or the recognized employees' organization may, upon written notification to the other, request the services of the federal mediation and conciliation service. If such service is not available at a time agreeable to the requesting party, a mediator shall be selected by a three-member panel consisting of one (1) person selected by the municipality, one (1) selected by the recognized employees' organization and one (1) person to serve as chair selected by these two (2) persons. The mediator shall meet with the parties or their representatives, or both, forthwith, either jointly or separately and shall take such other steps as the mediator may deem appropriate in order to persuade the parties to resolve their differences and effect a mutually acceptable agreement. The mediator shall not,

without the consent of both parties, make findings of fact or recommend terms of settlement. The cost of the services of the mediator appointed by the panel shall be divided equally among the parties.

(b) If the mediator is unable to bring the parties to agreement, either party may, by written notification to the other, request that their differences be submitted to fact-finding/advisory arbitration. Either party may request the American Arbitration Association or the Federal Mediation and Conciliation Service to designate an arbitrator. The arbitrator so designated shall not, without the consent of the parties, be the same person who was appointed mediator pursuant to subsection (a).

(c) The arbitrator shall meet with the parties or their representatives, or both, either jointly or separately, make inquiries and investigations, hold hearings, and shall take such other steps as the arbitrator deems appropriate. For the purpose of such hearings, investigations and inquiries, the arbitrator shall have the power to issue subpoenas requiring the attendance and testimony of witnesses and/or the production of evidence. The several departments, commissions, divisions, authorities, boards, bureaus, agencies and officers of the municipality or any political subdivisions or agency thereof, shall furnish the arbitrator, upon the arbitrator's request, all records, papers and information in their possession relating to any matter under investigation by or in issue before the arbitrator. If the dispute is not settled prior thereto, the arbitrator shall make findings of fact and recommend terms of settlement, which recommendations shall be advisory only, and shall be made within thirty (30) calendar days after the arbitrator's appointment. Any findings of fact or recommended terms of settlement shall be submitted in writing to the parties. The arbitrator has the discretion to make such findings and recommendations public, and either the municipality or the employees' representative may make such findings and recommendations public if no agreement is reached within ten (10) calendar days after their receipt from the arbitrator. Upon

completion of the process of mediation, fact-finding and advisory arbitration, this part stipulates no additional recourses or action. The cost for the services of the arbitrator shall be borne equally by the parties.

SECTION 15. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 16. This act shall take effect upon becoming law, the public welfare requiring it.